

Vanda Pharmaceuticals Inc.
Form 4
May 16, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Polymeropoulos Mihael Hristos

(Last) (First) (Middle)

9605 MEDICAL CENTER
DRIVE, SUITE 300

(Street)

ROCKVILLE, MD 20850

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Vanda Pharmaceuticals Inc. [VNDA]

3. Date of Earliest Transaction (Month/Day/Year)

05/14/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

Chief Executive Officer

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount or Price | | |
| Common Stock | 05/14/2007 ⁽¹⁾ | | M | | 10,000 A \$ 0.331 | 10,000 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | | S | | 71 D \$ 19.23 | 9,929 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | | S | | 100 D \$ 19.25 | 9,829 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | | S | | 500 D \$ 19.27 | 9,329 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | | S | | 500 D \$ 19.28 | 8,829 | D |

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| | | | | | | | |
|--------------|---------------------------|---|-------|---|----------|-------|---|
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 700 | D | \$ 19.3 | 8,129 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 800 | D | \$ 19.31 | 7,329 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 100 | D | \$ 19.33 | 7,229 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 700 | D | \$ 19.34 | 6,529 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 100 | D | \$ 19.35 | 6,429 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 280 | D | \$ 19.36 | 6,149 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 619 | D | \$ 19.38 | 5,530 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 1,100 | D | \$ 19.4 | 4,430 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 100 | D | \$ 19.41 | 4,330 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 1,520 | D | \$ 19.42 | 2,810 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 300 | D | \$ 19.44 | 2,510 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 200 | D | \$ 19.45 | 2,310 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 200 | D | \$ 19.46 | 2,110 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 600 | D | \$ 19.47 | 1,510 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 1,355 | D | \$ 19.49 | 155 | D |
| Common Stock | 05/14/2007 ⁽¹⁾ | S | 155 | D | \$ 19.51 | 0 | D |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option (Right to Buy) | \$ 0.331 | 05/14/2007 | | M | 3,108 | (2) 05/05/2013 | Common Stock | 3,108 |
| Employee Stock Option (Right to Buy) | \$ 0.331 | 05/14/2007 | | M | 6,892 | (2) 02/10/2015 | Common Stock | 6,892 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Polymeropoulos Mihael Hristos 9605 MEDICAL CENTER DRIVE SUITE 300 ROCKVILLE, MD 20850 | X | | Chief Executive Officer | |

Signatures

/s/ Mihael H. Polymeropoulos
 Date: 05/16/2007

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Transaction was administered pursuant to an authorized 10b5-1 plan.
- (2) Exercisable with respect to 25% of the shares one year after the grant, exercisable with respect to and additional 2.08333% of the aggregate shares each month thereafter.

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